
FINANCING NUMBER TF0B6576

Canada Clean Energy and Forest Climate Facility Financing Agreement

(Cabo Verde Renewable Energy and Improved Utility Performance Project)

between

REPUBLIC OF CABO VERDE

and

**INTERNATIONAL BANK FOR RECONSTRUCTION AND
DEVELOPMENT/INTERNATIONAL DEVELOPMENT ASSOCIATION
(acting as administrator of the Canada Clean Energy and Forest
Climate Facility Single-Donor Trust Fund)**

FINANCING NUMBER TF0B6576

Canada Clean Energy and Forest Climate Facility Financing Agreement

AGREEMENT dated as of the Signature Date between REPUBLIC OF CABO VERDE (“Recipient”) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT/INTERNATIONAL DEVELOPMENT ASSOCIATION (“Bank”), acting as administrator of the Canada Clean Energy and Forest Climate Facility Single-Donor Trust Fund.

The Recipient and the Bank hereby agree as follows:

ARTICLE I — STANDARD CONDITIONS; DEFINITIONS

- 1.01. The Standard Conditions (as defined in the Appendix to this Agreement) apply to and form part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Standard Conditions, in the Loan Agreement or in the Appendix to this Agreement.

ARTICLE II — PROJECT

- 2.01. The Recipient declares its commitment to the objectives of the Project described in Schedule 1 to this Agreement (“Project”). To this end, the Recipient, through UGPE shall carry out the Project in accordance with the provisions of Article II of the Standard Conditions and Schedule 2 to this Agreement.

ARTICLE III — FINANCING

- 3.01. The Bank agrees to extend to the Recipient a financing, in the amount equivalent to seven million US Dollars (US\$7,000,000) to assist in financing the Project (“Financing”).
- 3.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section III of Schedule 2 to this Agreement.
- 3.03. The principal amount of the Financing shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
- 3.04. The Payment Dates for the principal of the Financing are May 15 and November 15 in each year.
- 3.05. The Payment Currency is Dollar.

- 3.06. The Financing is funded out of the abovementioned trust fund for which the Bank receives periodic contributions from the donor to the trust fund. In accordance with Section 3.02 of the Standard Conditions, the Bank's payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the donor under the abovementioned trust fund, and the Recipient's right to withdraw the Financing proceeds is subject to the availability of such funds.

ARTICLE IV — EFFECTIVENESS; TERMINATION

- 4.01. The Additional Condition of Effectiveness consist of the following:
- (a) The Loan Agreement, Financing Agreement, CCEFCF Grant Agreement and the GIF Grant Agreement have been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the execution and effectiveness of this Agreement) have been fulfilled.
- 4.02. The Effectiveness Deadline is ninety (90) days after the Signature Date.

ARTICLE V — REPRESENTATIVE; ADDRESSES

- 5.01. The Recipient's Representative referred to in Section 8.02 of the Standard Conditions is the minister responsible for finance.
- 5.02. For purposes of Section 8.01 of the Standard Conditions:
- (a) the Recipient's address is:
- Ministry of Finance
Avenida Amilcar Cabral
C.P. 30, Praia
Cabo Verde; and
- (b) the Recipient's Electronic Address is:
- gilson.g.pina@mf.gov.cv and soeli.d.santos@mf.gov.cv

- 5.03. For purposes of Section 8.01 of the Standard Conditions:
- (a) the Bank's address is:
- International Bank for Reconstruction and Development/
International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America; and

(b) the Bank's Electronic Address is:

Facsimile:

1-202-477-6391

AGREED as of the Signature Date.

REPUBLIC OF CABO VERDE

By

Olavo Avelino Garcia Correia

Authorized Representative

Name: Olavo Avelino Garcia Correia

Title: Minister of finance

Date: 17-jan-2022

**INTERNATIONAL BANK FOR RECONSTRUCTION AND
DEVELOPMENT/INTERNATIONAL DEVELOPMENT
ASSOCIATION
acting as administrator of the Canada Clean Energy and Forest
Climate Facility Single-Donor Trust Fund**

By

Luc Lecuit

Authorized Representative

Name: Luc Lecuit

Title: Acting Country Director

Date: 13-Jan-2022

SCHEDULE 1

Project Description

The objectives of the Project are to: (i) increase renewable energy generation; and (ii) improve the performance of the electricity utility in Cabo Verde by leveraging private finance.

The Project consists of the parts described in Schedule 1 to the Loan Agreement.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

The provisions of Section I in Schedule 2 to the Loan Agreement are incorporated herein by reference and apply to the Project.

Section II. Project Monitoring Reporting and Evaluation

The provisions of Section II in Schedule 2 to the Loan Agreement are incorporated herein by reference and apply to the Project.

Section III. Withdrawal of the Proceeds of the Financing

A. General

The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of: (a) Article III of the Standard Conditions; and (b) this Section; to finance Eligible Expenditures in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

Category	Amount of the Loan Allocated (expressed in USD)	Percentage of Expenditures to be financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, consulting services, Operating Costs and Training for under part 1 of the Project	7,000,000	100% or such percentage of Eligible Expenditures set forth by the Annual Work Plan in accordance with the provisions set forth in Section III.B.2 of Schedule 2 to the Loan Agreement
TOTAL AMOUNT	7,000,000	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made for payments made prior to the Signature Date.
2. Notwithstanding the foregoing provisions of the table under Part A of this Section, the sum of the Bank's financing percentage of Eligible Expenditures under the

Financing combined with the financing percentage of Eligible Expenditures under financing provided by the Financing Agreement, the Loan Agreement, the CCEFCF Grant Agreement, the GIF Grant Agreement and/or any other financing for the Project, shall equal 100% of each Eligible Expenditure.

3. The Closing Date is December 31, 2026.

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Financing (expressed as a percentage)*
On each May 15 and November 15: commencing May 15, 2027 to and including May 15, 2041	3.333329%
On November 15, 2041	3.333471%

* The percentages represent the percentage of the principal amount of the Financing to be repaid.

APPENDIX

Definitions

Section I. Definitions

1. “Anti-Corruption Guidelines” means, for purposes of paragraph 4 of the Appendix to the Standard Conditions, the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006, and revised in January 2011, and as of July 1, 2016.
2. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
3. “Loan Agreement” means the loan agreement for the Project between the Recipient and the Bank, dated the same date as this Agreement, as such loan agreement may be amended from time to time. “Loan Agreement” includes all appendices, schedules and agreements supplemental to the Loan Agreement.
4. “Procurement Regulations” means, for purposes of Section 2.11 of the Standard Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated November 2020.
5. “Signature Date” means the later of the two dates on which the Recipient and the Bank signed this Agreement and such definition applies to all references to “the date of the Financing Agreement” in the Standard Conditions
6. “Standard Conditions” means the International Bank for Reconstruction and Development and International Development Association Standard Conditions for Financing made by the World Bank out of the Canada Clean Energy and Forest Climate Facility dated December 21, 2020.